

KENTUCKY DEPARTMENT OF EDUCATION STAFF NOTE

Topic: Amendment to 702 KAR 3:320, Finance Officer Certification Requirements

Date: June 2024

Action Requested: Review Action/Consent Action/Discussion

Held In: Full Board State Schools United We Learn

SUMMARY OF ISSUE BEFORE THE BOARD:

To take action on the proposed amendment to 702 KAR 3:320, Finance officer certification requirements. The recommended changes provide for additional measures to assist school districts in securing competent candidates when selecting Finance Officers and clarify terminology.

COMMISSIONER'S RECOMMENDATION:

The Commissioner recommends the KBE approve the proposed amendments to 702 KAR 3:320

APPLICABLE STATUTE OR REGULATION:

KRS 160.431, 161.020(1)(b), 156.070 and 160.431

BACKGROUND:

Existing Policy:

KRS 160.431(2) requires the Kentucky Board of Education to promulgate administrative regulations identifying and prescribing the criteria and procedures for school finance officer certification and continuing education.

KRS 161.020(1)(b) states no person seeking initial employment as a school finance officer on or after July 1, 2015, shall be eligible to hold the position of school finance officer unless the person holds a certificate of legal qualification for the position, issued by the Kentucky Department of Education.

KRS 156.070 authorizes the Kentucky Board of Education to promulgate administrative regulations necessary for the efficient management, control, and operation of the schools and programs under its jurisdiction.

702 KAR 3:320 was originally promulgated in 2015. The regulation sets forth the qualifications and training requirements to receive certification as a school district finance officer. It includes the process for provisional and full certification, the mentorship program, continuing education requirements, the revocation and appeal process, provisions related to grandfather status for certain finance officers, and incorporated forms. Subsequent to the inception of the regulation, staff have identified areas of the program needing improvement. To this end, staff have worked with district finance officers and superintendents through the proposed regulatory amendment.

Summary of Issue:

In order to improve the finance officer certification program, the proposed amendment seeks to add an additional option that would permit a district to employ an individual as a finance officer if they had at least ten (10) years' work experience in local school finance, confirmed by the district. To encourage provisional finance officers to complete full certification, it decreases the amount of time before the provisional certificate lapses from five (5) years to three (3) years. Recognizing the time and work necessary to be a mentor, the proposed amendment increases the annual stipend from \$1,000 to \$1,500 and provides for a \$750 stipend if a mentorship is partially completed. Continuing education hours in the first year of a biennium are increased to eighteen (18). Permits KDE approved Continuing Professional Education (CPE) hours provided by a professional organization to count towards required training hours. Finally, creates a new Interim Finance Officer program.

Budget Impact:

There will be a budgetary impact to KDE in reimbursing school districts for new finance officer mentors. The proposed regulation will increase the mentor stipend from \$1,000 to \$1,500 for each new finance officer mentored. In addition, there is a new partial \$750 stipend for mentors if they successfully complete at least half of the mentorship but can't fully complete the program. These costs are expected to be relatively minimal with only about 15 new finance officers annually.

GROUPS CONSULTED AND BRIEF SUMMARY OF RESPONSES:

Finance Officers, Superintendents, and the Local Superintendents Advisory Council (LSAC)

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Category: <input type="checkbox"/> Educator Workforce Diversity <input type="checkbox"/> Portrait of a Graduate Partnerships <input type="checkbox"/> Racial Equity Commitment <input type="checkbox"/> Student-Centered Accountability System <input type="checkbox"/> Early Childhood <input checked="" type="checkbox"/> District Support
